

**For:** State and County Offices

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**Re-Enrollments and Extensions for CRP Contracts Expiring 2007 Through 2010**

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**Approved by:** Deputy Administrator, Farm Programs



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**1 Overview****A Background**

The Secretary recently announced that USDA will offer re-enrollment and extension opportunities for CRP participants that have contracts (CRP-1's) scheduled to expire from 2007 through 2010. Re-enrolling and extending these CRP-1's is part of the Administration's commitment to fully enroll the CRP's 39.2 million acre enrollment authority. As a commitment to the President's Earth Day 2005 challenge to restore, improve, and protect wetlands, certain CRP contracts that are offered re-enrollment and that include certain wetlands will be offered 15-year contracts. All other re-enrolled contracts will be for a period of 10 years.

On August 4, 2004, the President announced the re-enrollment and extensions of expiring contracts. FSA issued a Federal Register notice on August 10, 2004, to seek public comment about re-enrollments and extensions and other CRP-related topics. In addition, a public meeting was held in Riverdale, Maryland in June 2005 to provide an additional opportunity for public input about re-enrollment and extension policy. FSA received over 5,000 comments from farmers, ranchers, and conservation, commodity, environment, and farm groups that generally supported continuing CRP.

CRP is the Nation's largest cooperative conservation program on private lands. The program has a legacy of effective conservation accomplishments and has restored about 2 million acres of wetland habitat and over 1 million acres of flood plains.

Approximately 400,000 CRP contracts covering 28 million acres are scheduled to expire between September 30, 2007, and September 30, 2010. On September 30, 2007, contracts covering over 16 million acres, roughly one-half of all CRP land, are scheduled to expire.

**B Purpose**

This notice provides State and County Offices general information on re-enrollment and extension policy.

**Note:** Further information will be issued in future directives.

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Disposal Date	Distribution
January 1, 2007 9-28-05	State Offices; State Offices relay to County Offices

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## 2 General Policy

### A Re-Enrollment and Extension Options

Participants with CRP-1's scheduled to expire September 30, 2007 through 2010, will be offered either of the following:

- re-enrollment of all or any portion of the expiring CRP-1 into a new 10-15 year CRP-1 unless practice CP23 is a practice on the contract, then a 15-year CRP-1 is authorized
- extension of all or any portion of the expiring CRP-1 for a period of 2, 3, 4, or 5 years.

**Note:** In no case, may a CRP contract, in the aggregate, exceed 15 years.

### B Selection Criteria

Determinations about whether participants are offered contract extensions or re-enrollments will be based on the environmental criteria of the environmental benefit index (EBI) score used to rank offers at the time of enrollment.

Producers with CRP-1's that have the highest 20 percent will be offered the opportunity to re-enroll in a new 10-15 year contract. 15-year contracts will be offered to the contracts with practice CP23. All other top ranked offers will be eligible for a 10-year contract.

Producers with CRP-1's that have EBI scores in each of the next lower 20 percent groups will be offered extensions based on the following:

- greater than 20 percent to 40 percent will be eligible for a 5-year contract extension
- greater than 40 percent to 60 percent will be eligible for a 4-year contract extension
- greater than 60 percent to 80 percent will be eligible for a 3-year contract extension
- greater than 80 percent to 100 percent will be eligible for a 2-year contract extension.

**Note:** No extensions will be approved that would have the effect of a contract with a duration, in aggregate, exceeding 15 years.

**2 General Policy (Continued)**

**C Payment Rate Policy for Re-Enrollments and Extensions**

Payment rates for CRP-1's offered:

- re-enrollment of the expiring CRP-1 will be based on the updated county-posted soil rental rates (SRR's) effective at the time the contract is approved
- 2 to 5 year extensions will be paid using the rental rate per acre of the expiring contract.

**D Compliance Requirements**

Before approval of any offer for re-enrollment or extension, all expiring CRP-1's must have a site visit to ensure that CRP-1's are in compliance. The site visit is to ensure that the existing cover on lands re-enrolled or extended is in compliance with the conservation plan including the control of noxious weeds, insects, and pests. All covers must serve the original purposes of:

- erosion control
- water quality protection
- wildlife benefits.

Producers will be required to meet contract compliance requirements on the expiring CRP-1 before approval of contract re-enrollment or extensions. Producers will **not** be eligible for cost-share assistance to get back into compliance.

Violations of CRP contracts will be processed according to contractual obligations in 2-CRP, Part 17.

**E County Cropland Limitation Determination**

The CRP authorizing legislation generally provides that not more than 25 percent of the total cropland in a county may be enrolled in CRP and WRP. Waivers may be approved if the National Office determines **both** of the following:

- the action would not adversely affect the local economy of the county
- producers in the county are having difficulties complying with conservation plans.

**2 General Policy (Continued)**

**E County Cropland Limitation Determination (Continued)**

In a subsequent notice, COC's will be authorized:

- in consultation with NRCS, to set the county cropland limitation from 22 percent to 25 percent for the general CRP enrollment so that acreage may be set aside for continuous signup, CREP, FWP, or WRP
- to determine the county cropland limitation percentage by COB October 28, 2005. Once established, any changes to the new county cropland limitation must meet the criteria for a waiver and be submitted to the National Office.

This notice will also provide guidance for submitting the new county cropland limitation percentage.

**F Producer Notifications**

Beginning next spring, producers with CRP-1's will begin to be notified, in writing, of the status of the expiring contract and their re-enrollment or extension option.

**3 Action**

**A Completing SRR Reviews**

Notice CRP-497 required that all State and County Offices thoroughly review and adjust SRR's by October 28, 2005. No extensions of time will be authorized for completing this review.

**B State and County Office Action**

State and County Offices shall:

- read and follow this notice
- inform producers, as appropriate, of the contents of this notice
- determine updated county cropland limitation according to future notice
- complete SRR reviews according to Notice CRP-497 as soon as possible but no later than October 28, 2005.

**Note:** The National Office cannot complete the software and rankings until after the updated cropland limits are set by COC.